

BEFORE THE
POSTAL REGULATORY COMMISSION
WASHINGTON, D.C. 20268-0001

**First-Class Package Service
Service Standard Changes, 2021**

Docket No. N2021-2

**AMERICAN POSTAL WORKERS UNION, AFL-CIO
INTERROGATORIES TO STEPHEN B. HAGENSTEIN
(APWU/USPS-T-1/1-16)
(July 20, 2021)**

In accordance with 39 CFR § 3020.117, the American Postal Workers Union, AFL-CIO submits the following interrogatories to United States Postal Service witness Stephen B. Hagenstein (USPS-T-1) regarding the service standard change to First-Class Package Service (FCPS). These requested admissions should be directed to one or more other witness(es) or answered institutionally as deemed appropriate by the Postal Service.

In accordance with 39 CFR § 3020.117 (a) and (b), answers to discovery requests shall be prepared so that they can be incorporated as written cross-examination. Each answer shall begin on a separate page, identify the individual responding and the number and text of the question. Each interrogatory shall be answered separately and fully in writing, unless it is objected to. The reasons for any objection shall be clearly and fully stated. If an objection is made to part of an interrogatory, the part shall be specified. If the Postal Service claims a privilege, it shall identify the specific evidentiary privilege asserted and state the reasons for its applicability. An interrogatory is not necessarily objectionable because an answer would involve an opinion or contention that relates to fact or the application of law to

fact. A respondent has a duty to timely amend a prior answer if it obtains information upon the basis of which it knows that the answer was incorrect when made or is no longer true. If necessary to make supplemental answers to update or to correct responses, they shall be served whenever necessary, up until the date the answer could have been accepted into evidence as written cross-examination. A respondent shall indicate whether the answer merely supplements the previous answer to make it current or whether it is a complete replacement for the previous answer.

Please contact the undersigned with any questions.

Respectfully Submitted,

MURPHY ANDERSON PLLC



Melinda Holmes, Esq.
Nicolas Mendoza, Esq.
1401 K Street NW, Suite 300
Washington, D.C. 20005-4126
Tel.: (202) 223-2620
Fax: (202) 296-9600
mholmes@murphypllc.com
nmendoza@murphypllc.com

*Counsel for the American Postal Workers Union,
AFL-CIO*

APWU/USPS-T-1/1

Please refer to page iii, footnote 2 of your testimony where you note that “changes to First-Class Package service standards would also incidentally affect international mail service standards for small packets and bulky letters...” Please explain in detail how international mail will be affected, including providing the past volume and revenue associated with the packets and letters expected to be impacted for FY2017, FY2018, and FY2019.

APWU/USPS-T-1/2

Please refer to page 2 of your testimony where you state that both air and surface transportation experience delays and schedule alterations.

- a. Quantify for each of the past five years the percentage of mail volume transported by air that experienced delays and the percentage of mail volume transported by surface transportation that experienced delays.
- b. Describe what percentage of all mail volume is transported by both surface and air transportation.
- c. Explain whether surface transportation experiences weather delays and whether, where, and how this is captured in performance data.

APWU/USPS-T-1/3

Please refer to page 3 of your testimony where you describe the touch points for surface and air transportation. Explain the significance or relevance of “touch points” to service standards and performance.

APWU/USPS-T-1/4

Please refer to page 3, footnote 6 of your testimony where you note an “increased challenge with respect to driver shortages/availability or motor vehicle accidents.” Describe both the nature of and numbers associated with the current challenges with driver availability and accidents that you anticipate will not be impacted by or aggravated by the FCPS service standard changes.

APWU/USPS-T-1/5

Please refer to page 4, lines 5 to 7 of your testimony where you comment on possible reductions in air charters.

- a. Describe the process, including when and how, by which the Postal Service will determine the lanes that will be shifted from air to surface transportation.
- b. For lanes that are not shifted to surface transportation, describe whether the Postal Service anticipates meeting the current service standards for FCPS in those lanes that remain on air transportation.

APWU/USPS-T-1/6

Please refer to page 4, lines 20-21, of your testimony where you comment on the coast-to-coast First-Class surface network that the Postal Service is establishing.

- a. Describe the components and nature of this surface network including what, if any, parts of the network are new, the status of its establishment and when it is expected to be fully established, and the costs anticipated in establishing this network.
- b. What percentage of total First-Class mail volume moving or that will move through this surface network consists of FCPS?

APWU/USPS-T-1/7

Is what the Postal Service characterizes as its poor performance for FCPS due entirely to delays from using air transportation, and if not, what other factors have contributed to the poor performance?

APWU/USPS-T-1/8

Please refer to page 14, line 15-16, of your testimony where you state that "...FCPS within the contiguous United States must often fly in order to meet the current service standards." Explain and quantify what you mean by "must often."

APWU/USPS-T-1/9

Please refer to page 15 of your testimony where you note the improvement to performance expected to occur as a result of this service standard change. If the only service standard change implemented by the Postal Service was to expand the two-day business rule from six hours to eight hours, what, if any, additional resources from those currently being used would be required to raise performance to meet the current service standards along with the changed business rule?

APWU/USPS-T-1/10

Please explain your testimony on page 17 that early dispatches lead to operational plan failures and missed service standard targets.

APWU/USPS-T-1/11

Please explain your testimony on page 17-18 describing how and what kind of workhours are reduced by reducing airline assignments and associated handling at origins.

APWU/USPS-T-1/12

Please refer to page 38 of your testimony where you testify on the impact the service standard changes will have on “pharmaceutical volume.” Explain the nature of the specific anticipated impact on the 22 percent of pharmaceutical volume that is not upgraded or will otherwise remain unaffected by the service standard changes.

APWU/USPS-T-1/13

Please refer to page 39 of your testimony where you comment on the impact of the service standard changes on air transportation suppliers. Describe how long it will take to amend or terminate contracts with air transportation suppliers to account for reduced mail volume being transported by air, and whether there are any costs associated with amending or terminating those contracts.

APWU/USPS-T-1/14

Explain the Postal Service’s projections with regard to your testimony on page 40 about the service standard changes possibly resulting in capturing additional package volume and incremental market share.

APWU/USPS-T-1/15

Explain the basis for your statement on page 41 of your testimony that “[t]he changes will have minimal impact on customer satisfaction and the needs of postal customers.”

APWU/USPS-T-1/16

Please refer to page 5 of your testimony where you discuss the special expenses of transporting FCPS between the continental US and Alaska, Hawaii, and offshore territories. Explain whether the Postal Service has considered requesting appropriated funds in accordance with 39 U.S.C. § 2401 to cover these special expenses.